January 24, 1967

COMPIDENTIAL

Mr. Harrington:

As you know, I was called away from a meeting held January 13 at The Tobacco Institute by reason of the death of my mother. I am advised that the following matters were discussed on that occasion:

Drs. Hockett and Lisanti and Mr. DeMart, following up on the thought that the industry should confer with HEV in an attempt to create a dialogue in the area of smoking and health, met recently with Dr. Philip R. Lee, Assistant Secretary of HEV's Bureau for Health and Scientific Affairs. Dr. Guthrie and the HEW Information Officer, Dr. Spitzer, were also present. It was apparent that Dr. Lee accepts the role of cigarette smoking as related to health in the Surgeon General's Report, but privately doubts that anti-smoking compaigns will have any substantial effect. It is also apparent that HEW is virtually important of the industry's position or the research it has conducted and is conducting. Dr. Hockett outlined in general the research we are attempting to conduct in the area of multivariate analysis of statistical data and this appeared to be a matter of considerable interest to Dr. Lee, who suggested that there be another meeting at which Dr. Kotin, now of HEW, would attempt to deal with what the Government is doing by way of research.

Such a meeting was held January 20 and we have yet to have a complete report with respect to it. However, I am advised that Dr. Kotin did attend and that the meeting was largely double talk and a waste of time. Hothing was said about Government activity and the conferens came away with the impression that Dr. Kotin does not want Government cooperation and will probably press forward to obtain approval of his \$50,000,000 research program for a "safer" cigarette.

Two relatively small Special Project grants were approved, one by Dr. Barak of New York in the area of emphysema and the other (No. 109) to Dr. Levine with regard to collecting cases of emphysema among non-smokers and young people. The grants are in the amount of \$15,000 and \$10,000 respectively.

ATC, which is not a member of the Institute, has agreed to pay approximately \$127,000 toward the budget for last year. Had it been a member, the payment would have been \$223,000.

* * * * * * *

.

regregations of the common reactions of the decimant is being provided in accordance with a Court Order for in common imposition in The State of Atlantaneous, of all v Philip Mornis, fact of Its use is society limited by Court Orders.

As you know, when Senator Clements took over the Presidency of the Institute, an agreement was made to raise his then present compensation from \$60,000 to \$100,000. The following arrangement was reached with him January 13: He will cease to represent Lorillard as a lobbyist commencing February 1, 1967. His compensation, under a 3 year contract, renewable from year to year thereafter except in the event of termination, will bring him \$30,000 per annum as a lobbyist and \$30,000 per annum to be deferred in the same category. He will also be paid \$20,000 as President of The Institute with an additional \$20,000 deferred. Since it was agreed to raise his compensation as of December 1965, he is owed approximately \$43,000 for last year, all of which he wishes to be deferred. The deferred portion of his compensation as outlined above will be paid over a 10 year period commencing at the end of his contractual relationship. It is to be further understood that if he also ceases to act as President of The Institute, he will still be paid \$100,000 per annum as a lobbyist. In my opinion, he is well worth that sum.

.

There was some discussion of the High Tor (Bindig) project. A copy of the report is being sent to mm. This will be the topic of discussion at 4:30 P.M. Thursday in Mr. Yesman's suite. In brief, Dr. Hudson, who is working for a group including Mr. Beck and Congressman Murphy, both well connected in Democratic politics, believes that an additive to tobacco leaf at the time the leaf is cased and flavored removes benzpyrene from the "tar." He did not conduct skin painting experiments but only subcutaneous injections in mice. The experiments began June 1, 1966 and as yet it is too early to have tumors in either the test or controlled animals. However, Hudson appears to believe that the treated tobacco has shown a reduced ulceration effect, a reduced retardation of normal body growth and some benefits in the area of vascular occlusion. Obviously this matter must be considered and when the report is received, I think it should be sent immediately to Dr. Bates and Dr. Kensler for comment. Better yet, it might be well to have both come to New York to discuss the matter with us. At least one Scientific Director seems to think that Hudson changed his procedure in mid-stream and that it is possible that the "tar" which he used may have undergone chemical changes in the handling. Needless to say, I am not competent to comment upon this but the report should receive a thorough study.

P. P. H.

cc: Messrs. Old Anderson Moore This document is being provided in accordance with a Court Order for in camera impossion in The State of Minimuses, or at a Pholip Morest, for or or the use is spricely busined by Court Orders. In use is spricely busined by Court Orders.